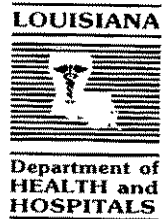




M. J. "Mike" Foster, Jr.
GOVERNOR

STATE OF LOUISIANA
DEPARTMENT OF HEALTH AND HOSPITALS



David W. Hood
SECRETARY

October 9, 2003

Ms. Deondra Moseley
Health Insurance Specialist
Centers for Medicare and Medicaid Services
7500 Security Boulevard
Baltimore, Maryland 21233-1850

Dear Ms. Moseley:

RE: Waiver Number 0401-IP.01

This will request an amendment to the above referenced waiver to increase the number of waiver slots for the first year from 4251 to 4576. Appendix G-1, G-2, and G-8 are attached reflecting the increase in waiver slots and the cost calculations for this increase.

We are requesting an effective date of November 1, 2003 for this amendment.

Regarding any questions, please contact Claudette Hill at 225-219-0211.

Sincerely,

Ben Bearden
Medicaid Director

BAB:CH

c: Gerardo Ortiz
Barbara C. Dodge
Claudette Hill

APPENDIX G - FINANCIAL DOCUMENTATION

APPENDIX G-1 COMPOSITE OVERVIEW COST NEUTRALITY FORMULA

INSTRUCTIONS: Complete one copy of this Appendix for each level of care in the waiver. If there is more than one level (e.g. hospital and nursing facility), complete a Appendix reflecting the weighted average of each formula value and the total number of unduplicated individuals served.

LEVEL OF CARE: ICF/MR

YEAR	FACTOR D	FACTOR D'	FACTOR G	FACTOR G'
1	<u>\$46,952</u>	<u>\$5,287</u>	<u>\$60,872</u>	<u>\$4,341</u>
2	<u>\$46,952</u>	<u>\$5,287</u>	<u>\$60,872</u>	<u>\$4,341</u>
3	<u>\$49,363</u>	<u>\$5,287</u>	<u>\$60,872</u>	<u>\$4,341</u>
4	<u> </u>	<u> </u>	<u> </u>	
5	<u> </u>	<u> </u>	<u> </u>	

STATE: Louisiana

DATE April 1, 2003

FACTOR C: NUMBER OF UNDUPLICATED INDIVIDUALS SERVED

YEAR UNDUPLICATED INDIVIDUALS

1 4,576

2 4,576

3 +200 4,776

4

5

EXPLANATION OF FACTOR C:

Check one:

_____ The State will make waiver services available to individuals in the target group up to the number indicated as factor C for the waiver year.

✓ The State will make waiver services available to individuals in the target group up to the lesser of the number of individuals indicated as factor C for the waiver year, or the number authorized by the State legislature for that time period *or the number who can be served with the appropriated budget.*

The State will inform HCFA in writing of any limit which is less than factor C for that waiver year.

STATE: Louisiana

DATE April 1, 2003

APPENDIX G-2
METHODOLOGY FOR DERIVATION OF FORMULA VALUES

FACTOR D

LOC: ICF/MR

The July 25, 1994 final regulation defines Factor D as:

"The estimated annual average per capita Medicaid cost for home and community-based services for individuals in the waiver program."

The demonstration of Factor D estimates is on the following page.

APPENDIX G-2

FACTOR D

LOC: ICF/MR

Demonstration of Factor D estimates:

Waiver Year 1 ☒ 2 ☐ 3 ☐ 4 ☐ 5 ☐

Waiver Service Column A		# Undup. Recip. (Users) Column B	Avg. # Annual Units/User Column C	Avg. Unit Cost Column D	Total Column E
1. Individualized and Family Support		4,428	3,518 hours	\$10.99/hour	\$171,198,966
2. Residential Habilitation /Supervised Independent Living		1,529	328 days	\$20.00/day	\$10,030,240
3. Skilled Nursing Services		108	4,555 hours	\$24.50/hour	\$12,052,530
4. Professional Services	RN & LPN	850	30 hours	\$24.52/hour	4. Professional Services
	Social Work	850	8 hours	\$37.52/hour	
	Psychologist	1700	4 hours	\$75.00/hour	
5. Community Integration Development		224	62 hours	\$10.99/hour	\$152,629
6. Transitional Professional Support Services		319	165/hour	\$64.06/hour	\$3,371,798
7. Professional Consultation	RN	850	7 hours	\$24.52/hour	7. Professional Consultation
	Social Work	850	8 hours	\$37.52/hour	
	Psychologist	1700	4 hours	\$75.00/hour	
8. Personal Emergency Response System (PERS)		106	12 months	\$27.00/monthly	\$34,344
9. Environmental Accessibility Adaptations		211	8 adaptations	\$886.35	\$1,496,158
10. Specialized Medical Equipment and Supplies		39	1 equipment	\$2,854.72	\$111,334
11. Substitute Family Care		76	305 days	\$39.00/day	\$904,020
12. Respite (Center Based)		104	550 hours	\$11.50/hour	\$657,800
13. Supported Employment		769	260 days	\$28.17/day	\$5,632,309
14. Day Habilitation		382	585 hours	\$6.50/hour	\$1,452,555
15. Habilitation Day/Vocational Transportation		334	250 days	\$16.00/day	\$1,336,000
16. Employment Related Training		686	877/hours	\$6.50/hour	\$3,910,543
17. Transition Start-up		70	1 time expense	\$3,000.00	\$210,000
GRAND TOTAL (sum of Column E)					\$214,852,652
TOTAL ESTIMATED UNDUPLICATED RECIPIENTS:					4,576
FACTOR D (Divide total by number of recipients):					\$46,952
AVERAGE LENGTH OF STAY: <u>326</u>					

STATE: LouisianaDate: April 1, 2003

APPENDIX G-2

FACTOR D

LOC: ICF/MR

Demonstration of Factor D estimates:

Waiver Year 1 2 ✓ 3 4 5

Waiver Service Column A		# Undup. Recip. (Users) Column B	Avg. # Annual Units/User Column C	Avg. Unit Cost Column D	Total Column E
1. Individualized and Family Support		4,428	3,518 hours	\$10.99/hour	\$171,198,966
2. Residential Habilitation /Supervised Independent Living		1,529	328 days	\$20.00/day	\$10,030,240
3. Skilled Nursing Services		108	4,555 hours	\$24.50/hour	\$12,052,530
4. Professional Services	RN & LPN	850	30 hours	\$24.52/hour	\$625,260
	Social Work	850	8 hours	\$37.52/hour	\$255,136
	Psychologist	1700	4 hours	\$75.00/hour	\$510,000
5. Community Integration Development		224	62 hours	\$10.99/hour	\$152,629
6. Transitional Professional Support Services		319	165/hour	\$64.06/hour	\$3,371,798
7. Professional Consultation	RN	850	7 hours	\$24.52/hour	\$145,894
	Social Work	850	8 hours	\$37.52/hour	\$255,136
	Psychologist	1700	4 hours	\$75.00/hour	\$510,000
8. Personal Emergency Response System (PERS)		106	12 months	\$27.00/monthly	\$34,344
9. Environmental Accessibility Adaptations		211	8 adaptations	\$886.35	\$1,496,158
10. Specialized Medical Equipment and Supplies		39	1 equipment	\$2,854.72	\$111,334
11. Substitute Family Care		76	305 days	\$39.00/day	\$904,020
12. Respite (Center Based)		104	550 hours	\$11.50/hour	\$657,800
13. Supported Employment		769	260 days	\$28.17/day	\$5,632,309
14. Day Habilitation		382	585 hours	\$6.50/hour	\$1,452,555
15. Habilitation Day/Vocational Transportation		334	250 days	\$16.00/day	\$1,336,000
16. Employment Related Training		686	877/hours	\$6.50/hour	\$3,910,543
17. Transition Start-up		70	1 time expense	\$3,000.00	\$210,000
GRAND TOTAL (sum of Column E)					\$214,852,652
TOTAL ESTIMATED UNDUPLICATED RECIPIENTS:					4,576
FACTOR D (Divide total by number of recipients):					\$46,952
AVERAGE LENGTH OF STAY: <u> 326 </u>					

APPENDIX G-2

FACTOR D

LOC: ICF/MR

Demonstration of Factor D estimates:

Waiver Year 1 2 3 ✓ 4 5

Waiver Service Column A		# Undup. Recip. (Users) Column B	Avg. # Annual Units/User Column C	Avg. Unit Cost Column D	Total Column E
1. Individualized and Family Support		4,622	3,658 hours	\$10.99/hour	\$185,810,963
2. Residential Habilitation /Supervised Independent Living		1,596	341 days	\$20.00/day	\$10,884,720
3. Skilled Nursing Services		132	4,737/hours	\$24.50/hour	\$15,319,458
4. Professional Services	RN & LPN	850	30 hours	\$24.52/hour	\$625,260
	Social Work	850	8 hours	\$37.52/hour	\$255,136
	Psychologist	1700	4 hours	\$75.00/hour	\$510,000
5. Community Integration Development		234	65 hours	\$10.99/hour	\$167,157
6. Transitional Professional Support Services		391	171 hours	\$64.06/hour	\$4,283,115
7. Professional Consultation	RN	850	7 hours	\$24.52/hour	\$145,894
	Social Work	850	8 hours	\$37.52/hour	\$255,136
	Psychologist	1700	4 hours	\$75.00/hour	\$510,000
8. Personal Emergency Response System (PERS)		110	12 months	\$27.00/monthly	\$35,640
9. Environmental Accessibility Adaptations		220	8 adaptations	\$886.35	\$1,559,976
10. Specialized Medical Equipment and Supplies		41	1 equipment	\$2,854.72	\$117,043
11. Substitute Family Care		79	318 days	\$39.00/day	\$979,758
12. Respite (Center Based)		109	572 hours	\$11.50/hour	\$717,002
13. Supported Employment		832	260 days	\$28.17/day	\$6,093,734
14. Day Habilitation		399	608 hours	\$6.50/hours	\$1,576,848
15. Habilitation Day/Vocational Transportation		348	260 hours	\$16.00/hour	\$1,447,680
16. Employment Related Training		716	912 hours	\$6.50/hour	\$4,244,448
17. Transition Start-up		73	1 time expense	\$3,000.00	\$219,000
GRAND TOTAL (sum of Column E)					\$235,757,968
TOTAL ESTIMATED UNDUPLICATED RECIPIENTS:					4,776
FACTOR D (Divide total by number of recipients):					\$49,363
AVERAGE LENGTH OF STAY: <u> 326 </u>					

APPENDIX G-8

DEMONSTRATION OF COST NEUTRALITY

LOC: ICF/MR

YEAR 1

FACTOR D:	<u>\$46,952</u>		FACTOR G:	<u>\$60,872</u>
FACTOR D':	<u>\$ 5,287</u>		FACTOR G':	<u>\$ 4,341</u>
TOTAL:	<u>\$52,239</u>	\leq	TOTAL:	<u>\$65,213</u>

YEAR 2

FACTOR D:	<u>\$46,952</u>		FACTOR G:	<u>\$60,872</u>
FACTOR D':	<u>\$ 5,287</u>		FACTOR G':	<u>\$4,341</u>
TOTAL:	<u>\$52,239</u>	\leq	TOTAL:	<u>\$65,213</u>

YEAR 3

FACTOR D:	<u>\$49,363</u>		FACTOR G:	<u>\$60,872</u>
FACTOR D':	<u>\$ 5,287</u>		FACTOR G':	<u>\$4,341</u>
TOTAL:	<u>\$54,650</u>	\leq	TOTAL:	<u>\$65,213</u>

STATE: Louisiana

Date: April 1, 2003

APPENDIX G-8

DEMONSTRATION OF COST NEUTRALITY (cont.)

LOC: ICF/MR Years 4 and 5 are not applicable for initial waiver.

YEAR 4

FACTOR D: _____

FACTOR G:

FACTOR D': _____

FACTOR G':

TOTAL: _____

≤

TOTAL:

YEAR 5

FACTOR D: _____

FACTOR G:

FACTOR D': _____

FACTOR G':

TOTAL: _____

≤

TOTAL:

STATE: Louisiana

Date: April 1, 2003